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ABSTRACT

Background information and an analysis of issues involved in the governance of new regional educational laboratories are presented. The new laboratories are to be established through a 1984 competition administered by the National Institute of Education (NIE). The analysis is designed to assist the Study Group on Regional Laboratories to advise the NIE Director on the following decisions: eligibility criteria for the laboratory competition, division of authority and responsibility between NIE and the boards of regional laboratories, and NIE policy on the structure and functions of laboratory governing boards. It is noted that the seven regional educational laboratories currently operating are incorporated as nonprofit organizations in the states where they are based. The following two options to current policy are presented: (1) NIE could become more involved in the governance process through more prescriptive policy, more direct work with boards and board members, or more detailed monitoring of governance procedures; or (2) NIE could become less involved in policy on governance and shift resources and attention to other areas. It is suggested that greater attention to the mechanics of needs assessment procedures or an emphasis on evaluating the quality of laboratory services may be a productive NIE role. (SW)

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Laboratory Governance: Issues for the Study Group on Regional Laboratories

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Preface

In response to Congressional direction, the National Institute of Education engaged in FY 1983 in a planning process designed to lead to an open competition of the regional educational laboratories and the national research and development centers as defined under Section 405(f) of the General Education Provisions Act.

As part of the planning process, the Institute convened a Laboratory Study Group, which met in two three-day sessions to review laboratory issues and provide advice and recommendations to the Director. The Laboratory Study Group consisted of sixteen persons representing likely clients or users of laboratory work, including education policy makers, practicing educators at various levels and community and parent representatives. It also included persons from organizations that are likely to work jointly with laboratories to offer services, as well as those with a background in conducting research, development or dissemination.

This paper was developed by NIE staff as part of a comprehensive briefing book on laboratory history, status and issues that was provided to Study Group members. Its purpose was to provide a background and stimulate discussion on specific laboratory issues.

This issue paper is one of a set of three staff papers that were provided to the Laboratory Study Group. The titles of the three papers and their authors are

Mack, David P., "Laboratory Purposes and Functions: Issues for the National Study Group on Regional Laboratories," August 23, 1983.

Schultz, Thomas, "Funding of Regional Laboratories: Issues for the National Study Group on Regional Laboratories," August 23, 1983.

Schultz, Thomas, and Dominic, Joseph, "Laboratory Governance: Issues for the Study Group on Regional Laboratories," August 23, 1983.

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Laboratory Governance: Issues for the Study Group on Regional Laboratories

Introduction

This paper will present background material and an analysis of issues involved in the governance of new regional education laboratories, to be established through a competition administered by NIE during the next year. The paper is designed to assist the Study Group on Regional Laboratories in advising the NIE Director on the following decisions:

1. Eligibility criteria for the laboratory competition.

2. Division of authority and responsibility between NIE and the boards of regional laboratories.

3. NIE policy on the structure and functions of laboratory governing boards.

It should be emphasized that purpose of this paper is to provide alternatives to the Study Group rather than to advocate for a particular policy. Further, it should be understood that the role of the Study Group is to advise the Director, who is responsible for final decisions regarding the competition.

Background

The seven regional educational laboratories currently operating are incorporated as non-profit organizations in the states where they are based. Each has its own board of directors which is responsible for oversight of laboratory operations. In one case, a laboratory board also has a direct tie to a membership organization. In two other cases (California) where "joint powers" legislation mandates that non-profit institutions such as educational laboratories have sponsorship from public agencies with an interest in them, the boards are closely connected to those sponsoring agencies.

The legal structures of the laboratories currently supported by the National Institute of Education are, for the most part, determined by the laws of the states in which they are incorporated and by the laboratories' own by-laws. Their governing boards tend to have similar responsibilities across institutions and operate according to similar procedures. In addition to monitoring their laboratories' adherence to state and Federal laws and regulations, boards are responsible for reviewing the overall management of operations and performance of the chief executive, as well as for setting the salary of the chief executive officer.

They also establish general guidelines for salaries and salary increases, and work with laboratory executives and program staff on establishing laboratory priorities and annual work plans. They are sometimes called upon to review proposals that the laboratory is planning to submit.

Laboratory boards tend to meet either quarterly or semi-annually with top management and program directors, often on a rotating basis. There is usually some form of committee structure so that boards can focus attention more sharply on different management activities. With the larger boards, there is usually an executive committee that often meets prior to board meetings to help set the meeting agenda and establish positions on issues.

The current pattern of board representation reflects the efforts of the laboratories to achieve broad coverage of client interest. It also reflects differences in the management styles of executives, in the missions of the laboratories and in the political circumstances in each region. There is considerable variation, therefore, in both the size of governing boards and the extent to which certain groups are represented on them. For example, the current boards of laboratories range in size from twelve members to fifty-four members. And the number of states that constitute a service region for each laboratory range from three to ten (central midwest).

Chief state school officers are generally well-represented on laboratory board, but again, with some variation. For example, one laboratory board has positions for each commissioner from its member states; another laboratory has none. In general there is light representation of state and local school boards and intermediate education units. School principals and teachers also fill few slots on boards. Business and the general public have slight representation on the boards, as do university based researchers (except in the case of one laboratory). Most laboratories also work with advisory committees for specific projects and activities.

Since the National Institute of Education administers the majority of funds that support these institutions, it has keen interest in their expenditure, especially with respect to how the laboratories make choices about their program activities and service to their region. The key NIE policy on laboratory governance reads as follows:

> "Governance and Priority-Setting: Laboratories' programmatic priorities will be determined through strong, representative, active governance structures and through systematic assessment of their regions' needs. Laboratories' governing boards must include broad representation of the region's educational interests, having strong ties with State, intermediate, and local agencies, and including parent, teacher, female and minority representation. NIE will work closely with the laboratories' boards and staffs (a) to help make their governing boards adequately representative, strong, and active and effective as mechanisms for accountability, and (b) to develop plans for achieving the laboratories' goals."

This policy emphasizes the role of the governing board in setting program priorities for the laboratory. NIE has espoused the theory that representatives of regional interests should express their needs through a combination of assessment efforts initiated by the laboratories and through membership on boards of directors. Thus although federal funds support labs, NIE does not set priority issues or functions for individual labs or for the laboratories as a group. The policy also signals NIE's concern with the composition of lab boards.

In practice, NIE has related to lab governing boards in two ways. First, especially during the review of five-year plans, NIE reviewed the composition of each board in detail, with particular reference to representation of practitioners, women and minority groups. In a number of instances special conditions were attached to laboratory contracts mandating changes in board composition. Second, NIE made efforts to work directly with boards through its Institutional Monitors. Staff visits to labs often involved attendance at board meetings to share information about NIE and observe the board in action. However, NIE has no official or ex officio representation on lab boards, nor has NIE convened meetings with board presidents or members in Washington to discuss common concerns.

Eligibility Criteria for the Laboratory Competition

NIE is developing regulations for the laboratory competitions that must address the question: "Which groups are eligible to submit proposals?" The laboratory competitions will occur in two stages. The first is to be a preliminary development stage; and the second will be the actual design and start-up stage. For the second stage, however, eligibility is limited by the language of the General Education Provisions Act (GEPA-405(f)), which states that laboratories are established by public agencies or private non-profit organizations. It is likely to be the case, therefore, that groups will not be interested in participating in the first stage of the competition, unless they would also be eligible for the final stage.

For NIE, the real issue here is twofold, namely, how to encourage open competition among qualified groups, but also how to insure that successful bidders will be able to establish or maintain the necessary independence and neutrality to operate effectively as regional educational laboratories. The current laboratories are all independent institutions and NIE's current policy on governance reflects that fact. However, requiring labs to have fully independent boards would exclude from the competition state departments of education, intermediate units, existing associations, colleges and universities, or consortia of such organizations.

Fully independent institutions would appear to offer the following advantages in carrying out the mission of regional laboratories:

- An initial position of neutrality in relation to regional clients, interest groups, educational issues, or particular states in the region.
- Autonomy in governance to allow responsiveness to NIE policy and priorities as well as regional groups.
- Independence in personnel procedures and recruiting and selecting staff.
- The potential to create networks and facilitate cross-state communication collaboration, and transfer of effective programs and practices.

- Fiscal autonomy and flexibility to enter into various types of contracts and grants with federal agencies, to develop products for sale or services for fees, and to negotiate expeditiously without additional clearances or levels of approval.

On the other hand, observers of the current laboratories note that while these qualities may characterize independent labs initially, the current institutions have developed internal bureaucracies, patterns of relationships to different clients and institutional histories of their own which would dilute or taint their theoretical neutrality and independence.

Other analysts argue that labs sponsored by existing organizations or consortia of these groups would have strengths as well. In particular, one could envision a semi-autonomous lab "nested" within an existing organization but with a strong external advisory committee. These types of sponsoring arrangements could offer the following advantages:

- Fiscal economies due to sharing of administrative systems, facilities or personnel.

- For new labs, the initial strength and momentum of existing organizational capabilities

- Ability to build on existing communication networks and relationships among client groups

- Possibilities to take advantage of staff housed in other parts of the host institution on part-time or consultant arrangements.

These arguments need to be pursued in light of other choices made by NIE in this planning process. In particular, if changes are made in the primary clients or purposes and functions of laboratories, the eligibility question needs careful examination. NIE has worked successfully with several projects providing certain types of lab services to particular client groups. In these instances sponsorship by an existing organization has worked well.

Relationships Between NIE Authority and Lab Board Authority

Laboratories face a dilemma in trying to focus on regional educational needs and problems when the bulk of their funding comes from a federal agency. As one observer of R&D systems noted, labs are unique organizations because their resources are not provided directly by their clients or consumers, nor are they provided by their governing boards.

The NIE policy cited on page 2 appears to empower lab governing boards with the responsibility for needs assessment and priority setting. NIE's role is then restricted to reviewing process questions (Is the board properly reflective of regional educators? Were the needs assessment procedures systematic and unbiased?), and judging the technical quality of lab plans and resultant services. However, over the past years, both the labs and NIE have encountered problems with the implementation of this policy.

From the lab perspective, NIE has not always been content to allow priorities to be set from within the regions. For example, during the late 1970s NIe placed a high priority on equity concerns, based on its own Congressional mandate. Labs were urged in various ways to sponsor projects, recruit staff, and compose advisory groups with that value in mind. In at least some instances, labs found these issues were a relatively low priority concern for their primary clients or for members of their governing boards. In other cases, labs may agreed with NIE priorities, but complained that these signals change too rapidly. Given the turnover in NIE staff and top officials in ED lab "responsiveness" to federal guidance could be detrimental to lab program quality or relationships with clients.

More recently, NIE requested labs to report on projects and accomplishments in priority areas of concern to Secretary Bell. As the labs represent a major segment of NIE's budget, their capabilities are an important resource when NIE is called on to provide evidence for its positive impact. This instance represents only a mild form of influence on lab priorities. However, through project monitoring, funding decisions, reviews and assessment procedures, NIE has a variety of policy levers to influence lab activities.

From NIE's perspective, there is a concern that the governance/ needs assessment mechanisms have not been powerful, neutral means to express "true" regional priorities. Rather, due to the complexity of choices, lab directors and staff play the determining role in selecting clients and distributing resources. Board proceedings and needs assessment data serves to justify these choices but exert little independent influence.

These observations seem to justify a review of the relationship between NIE and laboratory decisionmaking. An initial set of questions on this topic include the following:

1. If the balance of authority in current policy is appropriate, are there more effective strategies or provisions to overcome past problems? Are there more effective means to insulate labs from inappropriate NIE directives? Are there more effective means of assessing regional needs to ensure attention to the most severe problems or the most promising targets of opportunity?

2. Should NIE exert more influence over lab priorities? As the paper on funding mechanisms indicates, NIE could set priorities for a portion of lab activities (such as applied research projects) through a competitive funding procedure. Other aspects of lab work such as dissemination and technical assistance efforts could be left up to lab direction.

3. NIE relationships with newly created laboratories is a particularly sensitive aspect of these issues. Many observers warn that new labs will be naturally "overresponsive" to NIE suggestions, to the detriment of their survival within their region. Should NIE vary its degree of influence based on lab characteristics? Should new institutions be given greater attention, advice and monitoring, or insulated from federal "meddling" during their early years?

Structure and Membership of Lab Boards

As noted above, lab boards currently vary in size, composition, and structure. NIE has made special efforts to influence the composition of boards but has had little involvement in questions such as size, committee structure, and methods for selecting members. NIE has emphasized involvement of a diverse range of consumer or client groups as board members. This was seen as a means of ensuring that the needs and perspectives of different interests would be reflected in decisionmaking.

Critics of this approach have argued that large diverse boards selected on this basis are not effective in critical collective functions such as setting priorities and monitoring achievements. If members view themselves as representing constituencies competing for resources and attention, they are less likely to be effective group members. Moreover, because of the range of interests, boards may lack a coherent shared perspective on lab purposes, and decisionmaking can be fragmented and slow.

The past NIE policy can be viewed as a negotiated bargain with the laboratories in which NIE relinquishes control on decisions such as substantive priorities but asserts influence over procedural matters of governance. This perspective suggests at least two options to current policy for consideration:

- NIE could become more involved in the governance process through more prescriptive policy, more direct work with boards and board members, or more detailed monitoring of governance procedures. NIE could develop new policy in areas such as how members are selected, terms of membership, board training, committee structures, or the role of boards in reviewing funding proposals.

- NIE could become less involved in policy on governance and shift resources and attention to other areas. Perhaps greater attention to the mechanics of needs assessment procedures or an emphasis on evaluating the quality of lab services would be a more productive NIE role.